

AUTHORIZING THE SECRETARIES OF THE ARMY AND AIR FORCE TO SETTLE, PAY, ADJUST, AND COMPROMISE CERTAIN CLAIMS FOR DAMAGES AND FOR SALVAGE AND TOWAGE AND TO EXECUTE RELEASES, CERTIFICATIONS, AND REPORTS WITH RESPECT THERETO

AUGUST 20 (legislative day, AUGUST 1), 1951.—Ordered to be printed

Mr. STENNIS, from the Committee on Armed Services, submitted the following

REPORT

[To accompany H. R. 1764]

The Committee on Armed Services, to whom was referred the bill (H. R. 1764) to authorize the Secretaries of the Army and Air Force to settle, pay, adjust, and compromise certain claims for damages and for salvage and towage and to execute releases, certifications, and reports with respect thereto, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The bill would confer upon the Army and Air Force Departments authority similar to that now vested in the Navy Department to settle claims of a maritime nature in favor of or against the United States. The proposal is based in a general way upon the existing statutes vesting such authority in the Secretary of the Navy.

EXPLANATION OF THE BILL

General

As is stated above, the bill would authorize the Secretaries of the Army and of the Air Force to settle certain maritime claims. The ones intended to be covered are those which arise out of the operation of a fleet of vessels and port facilities by these two services. They include, generally, those claims arising out of collision between vessels, or between vessel and shore structure, personal injury and death to civilian seamen, harbor workers, passengers and other persons, damage to Army or Air Force cargo carried on commercial vessels,

and salvage and towage services rendered by or to Army or Air Force vessels or cargo. The bill would permit the settlement of claims both in favor of and against the Government.

As to the Army

The normal activities of the Army include transportation by water of persons, stores, equipment and supplies to and from Army installations throughout this country and overseas. The Army is also responsible for handling in port, loading on board, and discharging from ocean vessels, of cargo valued at hundreds of millions of dollars in foreign aid programs as well as Army cargo. These responsibilities require the operation of a fleet of vessels which at the present time consists of over 1,500 harbor craft of various types including tugs, passenger-carrying ferries, and barges. These vessels ply the waters of continental United States, its Territories, possessions and foreign countries. Four great ports of embarkation with docking and pier facilities are maintained by the Army at New York, New Orleans, San Francisco and Seattle. Also the Army has a fleet of dredges in constant operation in waters throughout the United States.

As to the Air Force

The Air Force currently operates 326 vessels of all types; 151 additional vessels are on the present procurement plan. The rescue vessels currently in operation range from 18-foot swamp gliders to 93-foot seagoing craft. The utility vessels operated by the Air Force include personnel carriers, cargo vessels, tugs, fuel barges, self-propelled derricks, and other miscellaneous water craft. The barges range from 45 feet to 120 feet in length.

Need for the legislation

In the course of such operations, accidents of the type mentioned above, and claims arising therefrom, are of continuing occurrence.

Under the present state of the law, the Departments of the Army and Air Force have authority by virtue of the act of July 3, 1943, to settle claims in amounts not exceeding \$1,000 (31 U. S. C. 223b). The usefulness of the statute, however, in settling claims of the type under consideration is negligible because of the \$1,000 limitation, because it precludes settlement where contributory negligence is present which is inconsistent with the admiralty rule of divided damages, and because of other limitations in the act. The only other statutory authority available for this purpose is found in act of January 2, 1942 (31 U. S. C. 224d). The limitations in that act as to amount for which claims may be settled and the class of claimant to which it is applicable results in its being of little utility for the purpose in question.

Consequently, many claims which should and could be settled out of court are forced into litigation. A heavy burden is thereby cast upon the Department of Justice, the cost of processing claims is unnecessarily increased, and in many instances the ultimate amounts paid in disposing of claims are higher than they would be if the claims were disposed of before commencement of suit.

Effect of the legislation

The proposed legislation would enable the Departments of the Army and Air Force expeditiously and advantageously to settle most of such claims without litigation. This would result in a saving to the

Government both in the cost of processing the claims and in the amounts paid in settlement, inasmuch as court judgments are, in many instances, higher than settlement figures. Experience has demonstrated that this is especially true with respect to claims for death or bodily injury made by residents of foreign countries where recoveries are normally much smaller than those allowed in the courts in this country.

The Attorney General has called the attention of the Department of the Army to the fact that the lack of the authority now requested works to the financial detriment of the Government, and has urged that the Department of the Army seek legislation of this nature.

Furthermore, the authority sought would enable the Departments of the Army and Air Force to avoid much unnecessary delay in the payment of just claims, which delay results in an injustice to the claimants.

Procedure during World War II

Early in the last war, maritime claims became so numerous that it was necessary to arrange with the War Shipping Administration to have that agency attempt to dispose of them for the Army. This was accomplished by having War Shipping Administration insure the Army against claims of a maritime nature and settle the claims as insurer. The Army reimbursed War Shipping Administration in the amount of the settlements. Because of the large number of Army harbor boats the Army also assigned personnel to War Shipping Administration to assist in processing the claims. This arrangement was unsatisfactory in that it placed confidential information in the hands of civilians not subject to military discipline, it created additional work, and it was not adequately effective in disposing of claims. It is most desirable that in the event of future emergency, the Army have the authority in question to settle these claims.

Comparison with other departments

The authority which this legislation would vest in the Secretaries of the Army and of the Air Force is the same as that now vested in the Secretary of the Navy with respect to the types of claims under consideration, except that the limitation of the Secretary of the Navy's authority is \$1,000,000, whereas the limit under the present bill is \$500,000.

In this connection the Congress has previously found it advisable to give to the Coast Guard and to the Maritime Administration of the Department of Commerce authority to settle claims of a maritime nature.

Recommendations of departments; cost data

The enactment of this proposal should result in no additional cost to the Government, but, on the contrary, should result in substantial savings.

The bill has been approved by the Bureau of the Budget and it is a part of the Department of Defense legislative program for 1951.

The Department of the Army has been designated by the Office of the Secretary of Defense as the action agency with respect to this legislation.

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The following letters referring to H. R. 1764 and its companion bill S. 313 are made a part of this report:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
July 30, 1951.

Hon. RICHARD B. RUSSELL,
*Chairman, Senate Committee on Armed Services,
United States Senate, Washington, D. C.*

MY DEAR SENATOR RUSSELL: On Friday, July 27, 1951, the Committee on the Judiciary was ordered discharged from further consideration of S. 313, to authorize the Secretaries of the Army and Air Force to settle, pay, adjust, and compromise certain claims for damages and for salvage and towage and to execute releases, certifications, and reports with respect thereto, and for other purposes.

For the information of your committee, I am forwarding the original of a letter dated February 6, 1951, from the Attorney General in connection with this bill; a sectional analysis of the bill received from the Department of Defense; and the original and one copy of a hearing held by a subcommittee of the Committee on the Judiciary on March 7, 1951.

Kindest personal regards.

Sincerely,

PAT MCCARRAN,
Chairman.

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, February 6, 1951.

Hon. PAT MCCARRAN,
*Chairman, Committee on the Judiciary,
United States Senate, Washington, D. C.*

MY DEAR SENATOR: This is in response to your request for the views of the Department of Justice relative to the bill (S. 313) to authorize the Secretaries of the Army and Air Force to settle, pay, adjust, and compromise certain claims for damages and for salvage and towage and to execute releases, certifications, and reports with respect thereto, and for other purposes.

The bill would confer upon the Army and Air Force Departments authority similar to that now vested in the Navy Department to settle claims of a maritime nature in favor of or against the United States. The proposal is based in a general way upon the existing statutes vesting such authority in the Secretary of the Navy.

The Department of Justice has long favored the enactment of legislation of this character. It would enable the Army and Air Force Departments to settle expeditiously without suit many claims which are now forced into litigation. The bill would provide that the Secretaries of the Army and Air Force shall act "under the direction of the Secretary of Defense," so that it will be possible, as a matter of internal organization, for the Defense Secretary, should he deem it advisable, to have the settlements reviewed by the Admiralty Counsel of the Navy Department, which is at present the only division of the Department of Defense having experienced personnel specializing in that field.

In his letter recommending enactment of the bill, the Assistant Secretary of Defense stated that "the proposed legislation may necessitate the transfer to the Departments of the Army and Air Force of part of the appropriations available to the Department of Justice for the payment of claims against the Government." The Department of Justice has no funds available for the payment of compromise settlements but, on the contrary, settlements made by the Attorney General are carried into execution by the entry of consent decrees which are reported to and appropriated for by the Congress.

The Department of Justice recommends the enactment of the bill.

The Director of the Bureau of the Budget has advised that there is no objection to the submission of this report.

Yours sincerely,

PEYTON FORD,
Deputy Attorney General.

ASSISTANT SECRETARY OF DEFENSE,
Washington 25, D. C., January 5, 1951.

HON. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services,
United States Senate.

MY DEAR MR. CHAIRMAN: There is forwarded herewith a draft of legislation to authorize the Secretaries of the Army and Air Force to settle, pay, adjust, and compromise certain claims for damages and for salvage and towage and to execute releases, certifications, and reports with respect thereto, and for other purposes, together with a sectional analysis thereof.

This proposal is a part of the Department of Defense legislative program for 1951 and it has been approved by the Bureau of the Budget. The Department of Defense recommends that it be enacted by the Congress.

Purpose of the legislation.—The purpose of the proposed legislation is to vest in the Secretaries of the Army and Air Force authority with respect to the settlement of certain claims of a maritime nature in favor of or against the United States similar to the authority now vested in the Secretary of the Navy. That authority is required by the Secretary of the Army with respect to 50 oceangoing vessels; approximately 2,000 harbor craft of various types, including tugs, passenger-carrying ferries and barges, a fleet of dredges, and other watercraft in constant operation in the harbors and inland waterways of the United States; docks and pier facilities at 4 ports of embarkation maintained by the Department of the Army; and cargoes transported by commercial steamship companies. That authority is required by the Secretary of the Air Forces with respect to crash-boat operations, amphibious operations of aircraft, and cargoes transported by commercial steamship companies. Existing authority in the Secretaries of the Army and Air Force to settle claims is limited in scope and does not provide the desired degree of administrative flexibility.

Legislative references.—The Secretaries of the Army and Air Force now have authority under the act of July 3, 1943, as amended (31 U. S. C. 223b), to settle tort claims in amounts not exceeding \$1,000. That statute has little applicability with respect to maritime claims involving the rule of divided damages, inasmuch as it precludes the settlement of a claim involving contributory negligence. The Secretaries of the Army and Air Force also have authority by the act of June 2, 1942, as amended (31 U. S. C. 224d), to settle claims for damages caused by the Armed Forces of the United States in foreign countries. That authority, however, is of limited application.

Cost and budget data.—The enactment of this proposed legislation should result in no additional cost to the Government. On the contrary, it should result in substantial savings. The proposed legislation may necessitate the transfer to the Departments of the Army and Air Force of part of the appropriations available to the Department of Justice for the payment of claims against the Government.

Department of Defense action agency.—The Department of the Army has been designated as the representative of the Department of Defense for this legislation.

Sincerely yours,

MARX LEVA.

SECTION-BY-SECTION ANALYSIS

General comments

The authority here requested for the Secretaries of the Army and Air Force, under the direction of the Secretary of Defense, has previously been granted to the Secretary of the Navy. The acts granting such authority to the Secretary of the Navy are the act of July 3, 1944 (ch. 399, 58 Stat. 723, 726), the act of December 5, 1945 (ch. 555, 59 Stat. 596), and the act of May 4, 1948 (ch. 256, 62 Stat. 210). These acts are set out in the comparative tabulation shown at the conclusion of this report.

Navy legislation for claims against the United States

The act printed in the left-hand column at the end of this report is the act of July 3, 1944 (ch. 399, 58 Stat. 723, 726). It deals with two subjects, viz, authority to stay judicial proceedings and authority to settle claims against the United States. The Army and Air Force

are asking only for authority to settle claims. Accordingly, sections 1, 2, 3, 4, 5, and 6 of the act which deal with the stay of judicial proceedings are not printed herein; the sections of this act which are printed are sections 7 and 8.

Section 1. Providing authority for the Army and Air Force to settle claims against the United States; comparison with Navy authority

The sections of the Navy act and the pending bill printed directly opposite are identical, with only such changes as are necessary to designate the Secretary of the Army and Air Force in the House bill where the Secretary of the Navy is designated in the act, and to provide that the Secretaries of the Army and Air Force shall act under the direction of the Secretary of Defense. These sections provide only for settlement of claims against the United States. Claims in favor of United States are dealt with in a subsequent section of the pending bill.

Claims against the United States—effect on existing laws

The requested authority for the Army and Air Force is supplementary to existing legislation. This is the same as in the Navy act.

Claims against the United States—limitation of authority

Authority of Army and Air Force is limited to \$500,000. The limit on Navy authority is \$1,000,000.

Section 2. Authority for the Army and Air Force to settle damage claims in favor of the United States; comparison with Navy authority

The Navy statute set forth in the left-hand column is the act of December 5, 1945 (c. 555, 59 Stat. 596). It deals with claims in favor of the United States. The pending bill is identical with the Navy act with only such changes as are necessary to designate the Secretaries of the Army and Air Force in the pending bill where the Secretary of the Navy is designated in the Navy act and to provide that the Secretaries of the Army and Air Force shall act under the direction of the Secretary of Defense.

Damage claims in favor of the United States; payments received

Under the pending bill, payments received are to be covered into the Treasury as miscellaneous receipts. This is the same as in the Navy act.

Damage claims in favor of the United States—effect on existing laws

The requested authority for the Army and Air Force is supplementary to existing legislation. This is the same as in the Navy act.

Damage claims in favor of the United States—limitation of authority

The authority requested for the Secretaries of the Army and Air Force is limited to \$500,000. The authority of the Secretary of the Navy is limited to \$1,000,000.

Section 3. Salvage claims in favor of the United States—comparison with existing Navy authority

The matter printed directly opposite section 3 in the left-hand column is section 3 of the act of May 4, 1948 (ch. 256, 62 Stat. 210). Sections 1 and 2 of this act are not shown, as they authorize the Secretary of the Navy to provide salvage facilities and services to an extent not requested by the Army in the pending bill. The provisions

of the pending bill are the same as section 3 except for such changes as are necessary to designate the Secretaries of the Army and Air Force, where the Secretary of the Navy is designated in the act. A further difference is that under the Navy act "the designee" of the Secretary of the Navy as well as the Secretary is authorized to settle claims. The pending bill has no provision for a "designee" of either Secretary to act. Section 2 of the pending bill does not cover salvage claims.

Section 4. Current reports to Congress

The matter printed directly opposite section 4 in the left-hand column is subdivision (a) of section 8 of 58 Stat. 723. The matter printed directly thereunder is section 2 of 59 Stat. 596. The former statute deals with claims against the Government; the latter with claims in favor of the Government. These two sections are encompassed by section 4 of the pending bill. The provisions of the pending bill are identical with the acts insofar as claims against the Government are concerned. They differ with respect to claims in favor of the Government in that the pending bill requires a report on all such settlements whereas the Navy act requires a report on only such settlements as exceed \$3,000 in amount.

Section 5. Periodic reports to Congress

The matter printed opposite section 5 in the left-hand column is subdivision (b) of section 8 of 58 Statutes 723, 726. The provisions of the pending bill are identical with this. The other acts conferring authority on the Secretary of the Navy do not have a similar provision.

Section 6. Delegation of authority by the Secretary

This section permits the Secretary of the Army or Air Force to delegate his authority to settle claims where the amount paid or received does not exceed \$1,000.

The matter printed in the left-hand column directly opposite section 6 is 60 Statute 803. It is an addition to 58 Statutes 723, 726. The matter printed directly thereunder is 60 Statute 805. It is an addition to 59 Statutes 596. These acts are both encompassed by section 6 of the pending bill.

Section 7. Application of pending bill to claims in litigation

The matter printed directly opposite section 7 in the left-hand column is section 3 of 59 Statute 596. There is no similar provision in the other acts discussed herein conferring settlement authority on the Secretary of the Navy.

COMPARISON WITH EXISTING LAW

The following is a section-by-section comparison of H. R. 1764 with the applicable provisions of existing law:

EXISTING LAW APPLICABLE TO NAVY
ONLY

58 Stat. 723

The Secretary of the Navy is authorized to consider, ascertain, adjust, determine, compromise, or settle claims for damages caused by vessels of the Navy or in the naval service, and for compensation for towage and salvage services, including contract salvage rendered to such vessels, and to pay the amount of any claim

so determined, compromised, or settled, and upon acceptance of such payment by the claimant, and not until then such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding: *Provided*, That this section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of all other provisions of law authorizing consideration, adjustment, determination, settlement, and payment of claims:

Provided further, That no claim in excess of \$3,000 shall be considered hereunder which accrued prior to September 8, 1939:

Provided further, That all payments of claims made under this section shall be made out of the appropriation "Miscellaneous expenses, Navy": *And provided further*, That the payment of any claim on which a net amount exceeding \$1,000,000 is determined to be due from the United States, or which is compromised or settled at a net amount exceeding \$1,000,000 payable by the United States, shall not be authorized by this section, and all claims determined, compromised, or settled hereunder at a net amount exceeding \$1,000,000 payable by the United States shall be certified by the Secretary of the Navy to the Congress.

PENDING BILL

That the Secretaries of the Army and Air Force, under the direction of the Secretary of Defense, are hereby authorized to consider, ascertain, adjust, determine, compromise, or settle claims for damages caused by vessels of or in the service of their respective departments, and for compensation for towage and salvage services, including contract salvage, rendered to such vessels, and to pay the amount of any claims so determined compromised, or settled, and upon acceptance of such payment by the claimant, and not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding: *Provided*, That this section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing consideration, adjustment, determination, settlement, and payment of claims:

[Omitted.]

Provided further, That all payments of claims made under this section shall be made out of applicable appropriations which are hereby authorized: *And provided further*, That the payment of any claim on which a net amount exceeding \$500,000 is determined to be due from the United States, or which is compromised or settled at a net amount exceeding \$500,000 payable by the United States, shall not be authorized by this section, and all claims determined, compromised, or settled hereunder at a net amount exceeding \$500,000 payable by the United States shall be certified by the Secretary concerned to the Congress.

EXISTING LAW APPLICABLE TO NAVY
ONLY

The Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, compromise, or settle claims for damage cognizable in admiralty in a district court of the United States and all claims for damage caused by a vessel or floating object to property of the United States under the jurisdiction of the Navy Department or property for which the Navy Department may have assumed, by contract or otherwise, any obligation to respond for damage thereto. The Secretary of the Navy is further authorized to receive in payment of any such claim the amount due the United States pursuant to determination, compromise, or settlement as herein authorized and, upon acceptance of such payment but not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. All such payments shall be covered into the Treasury of the United States as miscellaneous receipts. The Secretary of the Navy is further authorized to execute on behalf of the United States and to deliver in exchange for such payment a full release of such claim:

Provided, That this section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise, or settlement of claims for damage to property hereinabove described:

Provided further, That no settlement or compromise where there is involved a payment in the net amount of over \$1,000,000 shall be authorized by this Act.

SEC. 3. The Secretary of the Navy and his designees are hereby authorized to consider, ascertain, adjust, determine, compromise, or settle any claim for salvage services rendered by the Navy Department to any vessel, and moneys received as a result of the exercise of authority contained in this Act shall be credited to appropriations made for the Navy Department and the naval service for the purpose of maintaining salvage facilities by the Navy for the purposes prescribed by this Act:

PENDING BILL

SEC. 2. The Secretaries of the Army and Air Force, under the direction of the Secretary of Defense, are hereby authorized to consider, ascertain, adjust, determine, compromise, or settle claims for damage cognizable in admiralty in a district court of the United States and all claims for damage caused by a vessel or floating object to property of the United States under the jurisdiction of their respective departments or property for which their respective departments may have assumed, by contract or otherwise, any obligation to respond for damage thereto. The Secretaries of the Army and Air Force, for their respective departments, are further authorized to receive in payment of any such claim the amount due the United States pursuant to determination, compromise, or settlement as herein authorized and, upon acceptance of such payment but not until then, such determination, settlement, or compromise of such claim shall be final and conclusive for all purposes, any law to the contrary notwithstanding. All such payments shall be covered into the Treasury of the United States as miscellaneous receipts. The Secretary concerned is authorized to execute on behalf of the United States and to deliver in exchange for such payment a full release of such claim: *Provided*, That this section, as respects the determination, compromise, settlement, and payment of claims, shall be supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise, or settlement of claims for damage to property hereinabove described: *Provided further*, That no settlement or compromise where there is involved a payment in the net amount of over \$500,000 shall be authorized by this section.

SEC. 3. The Secretaries of the Army and Air Force, under the direction of the Secretary of Defense, are hereby authorized to consider, ascertain, adjust, determine, compromise, or settle any claim for salvage services rendered by their respective departments to any ves-

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EXISTING LAW APPLICABLE TO NAVY
ONLY

PENDING BILL

Provided, That if the total moneys received annually by the Navy pursuant to authority contained in this Act shall exceed the total annual costs incurred by the Navy in rendering and maintaining salvage service as authorized in this Act, the amount of such excess shall be covered into the Treasury as "miscellaneous receipts".

Provided, That all moneys received by the respective departments for salvage services rendered shall be covered into the Treasury as miscellaneous receipts.

(a) On payment of any claim determined, compromised, or settled under section 7 of this Act at a net amount exceeding \$3,000, but not exceeding \$1,000,000, payable by the United States, the Secretary of the Navy within twenty days of payment shall file a report with the Naval Affairs Committees of the Senate and House of Representatives setting forth the nature of the claim, the vessel or vessels involved, the amount paid with respect thereto, the basis of the determination, compromise, or settlement, and other pertinent facts: *Provided*, That during any war the reports required under this section may omit any fact or facts disclosure of which, in the opinion of the Secretary, would be prejudicial to the national security.

SEC. 2. Within twenty days after receipt of a payment in a net amount exceeding \$3,000 due the United States pursuant to determination, compromise, or settlement of any claim under section 1 of this Act, the Secretary of the Navy shall file reports with the Committees on Naval Affairs of the Senate and House of Representatives, setting forth the nature of the claim; the vessel or vessels involved; the amount received; the basis of determination, compromise, or settlement; and other pertinent facts: *Provided*, That during any war the reports required under this section may omit any fact or facts, disclosure of which, in the opinion of the Secretary, would be prejudicial to the national security.

(b) Subject to the proviso of subsection (a) of this section, the Secretary of the Navy shall report to the Congress, at each session thereof, all claims which have been paid under this Act.
58 Stat. 723, sec. 8

SEC. 4. Within twenty days after payment of any claim determined, compromised, or settled under section 1 of this Act at a net amount exceeding \$3,000 payable by the United States or within twenty days after receipt of payment or settlement of any claim under section 2 or section 3 of this Act, the Secretary concerned shall file reports with the Committees on Armed Services of the Senate and House of Representatives setting forth the nature of the claim, the vessel or vessels involved, the amount paid or received with respect thereto, the basis of the determination, compromise, or settlement and other pertinent facts: *Provided*, That during any war the reports required under this section may omit any fact or facts disclosure of which, in the opinion of the Secretary concerned, would be prejudicial to the national security.

SEC. 5. Subject to the proviso of section 4 hereof, the Secretaries of the Army and Air Force shall report to the Congress, at each session thereof, all amounts paid by their respective departments or received by their respective departments under this Act.

EXISTING LAW APPLICABLE TO NAVY
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PENDING BILL

"SEC. 9. When the net amount paid in settlement does not exceed \$1,000, the authority of the Secretary of the Navy, as set forth in section 7, may be exercised by such person or persons as he may designate."
60 Stat. 803

* * * * *
"SEC. 4. Where the net amount received in settlement does not exceed \$1,000, the authority of the Secretary of the Navy as set forth in section 1 may be exercised by such person or persons as he may designate."
60 Stat. 805

SEC. 3. This Act shall not apply to any claim for which a suit filed by or against the United States is pending (*59 Stat. 596*).

SEC. 6. When the net amount paid or received in settlement does not exceed \$1,000 the authority of the Secretary of the Army or Secretary of the Air Force, as set forth in sections 1 and 2 hereof, may be exercised by such person or persons in the military department concerned as the Secretary thereof may designate.

SEC. 7. The provisions of this Act shall not apply with respect to any claim as to which a suit has been filed by or against the United States and is pending at the date of the enactment of this Act.



